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## India

### Agricultural Situation

### Weekly Highlights & Hot Bites, #17

2004

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**Report Highlights:**

\*Who will gain from Plant Protection Act?\*, \*Consumer body seeks water usage norms for beverages\*, \*Government mulls stringent norms for cattle feed\*, \*India seen among top 5 buyers of California prunes\*, \*Swaminathan's voice of sanity: His panel offers blueprint for GM crops\*, \*Agri Biotech yet to work wonders\*.

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Includes PSD Changes: No

Includes Trade Matrix: No

Unscheduled Report

New Delhi [IN1]

[IN]

Welcome to Hot Bites from India, a weekly summary of issues of interest to the U.S. agricultural community. The report includes information that has been garnered during travel within India, reported in the local media, or offered by host country officials and agricultural analysts. Press articles are included in this report. Significant issues will be expanded upon in subsequent reports from this office.

DISCLAIMER: Any press summary contained herein does NOT reflect USDA's, the U.S. Embassy's, or any other U.S. Government agency's point of view or official policy.

### **WHO WILL GAIN FROM PLANT PROTECTION ACT?**

The Protection of Plant Varieties and Farmers' Right Act, 2001, is scheduled to be enforced by the middle of this year. According to Andhra Pradesh Seed Industry Association President Venkat Reddy, the new Act will provide the establishment of an effective system for protection of plant varieties with a registrar who will keep a record of the definition of a particular derived variety in terms of its essential characteristics. Under the Act, the farmer is entitled to save, sow, re-sow, exchange, and sell his farm seed but is not entitled to sell branded seed of a variety protected under the Act. However, the Geneva-based International Union for Protection of New Varieties of Plants, the nodal referee for settling disputes among nations among patent-related issues in seeds, feels that excessive rights have been given to farmers, which goes against its guidelines. (Source: Financial Express, 05/04/04)

### **CONSUMER BODY SEEKS WATER USAGE NORMS FOR BEVERAGES**

The Consumer Guidance Society of India (CGSI) has called upon the government to lay down norms for usage of water in the manufacture of beverages such as tea, coffee, etc. It has called for the constitution of a committee to study the issue of pesticide residues in fruit juices, drinking water (both packaged and non-packaged), and other beverages. CGSI has criticized the distinction made by the Joint Parliamentary Committee while laying down the norms and standards for soft drink and other beverages. On the basis of the CGSI petition, the Bombay High Court has already issued notices to the Union of India, including the Ministry of Health and Family Welfare, Ministry of Food Processing Industries, and Ministry of Agriculture and asked them to file a reply. (Source: Financial Express, 05/04/04)

### **GOVERNMENT MULLS STRINGENT NORMS FOR CATTLE FEED**

The government is now working on a comprehensive fodder policy, which would include stringent antibiotic and other residue testing and labeling procedures for cattle feed. The move will radically amend Indian food laws that do not currently control quality of cattle feed, which allegedly can lead to production of contaminated food. "There is an urgent need to have a national animal feed policy and proper regulations to monitor animal feed standards and feed additives to avoid overdose of these additives, which in turn are passed onto consumers when they consume animal products. The government must take urgent steps to control the widespread use of antibiotics by introducing antibiotic residue standards," said Mr. Vijay Sardana of the Center for International Trade in Agriculture and Agro-based Industries. (Source: Economic Times, 05/04/04)

### **INDIA SEEN AMONG TOP 5 BUYERS OF CALIFORNIA PRUNES**

The California Prune Board (CPB) sees India among the top five markets in the world for Californian prunes in the next 4-5 years. The President of CPB said that India imported about 80 tons of prunes directly from California in 2003 as against 12 tons in 2002. This is an addition to 250 to 300 tons estimated to have been imported through consolidated shipments from Singapore, Hong Kong and Dubai. The Indian market is expect to grow

rapidly with imports exceeding 5000 tons in the next 4-5 years. CPB considers India as an important market and has been conducting consumer trade promotions in the country. Initially, they are targeting upwardly mobile health conscious and educated consumers in the metros and larger towns. (Source: Business Line, 05/05/04)

### **SWAMINATHAN'S VOICE OF SANITY: HIS PANEL OFFERS BLUEPRINT FOR GM CROPS**

The editorial in the financial daily opined that the report of the MS Swaminathan Panel on crop biotechnology, set up a year ago, is balanced in its recommendations and assures stakeholders a respite from the cumbersomeness and ad hoc nature of the present regulatory system. The editor welcomed the recommendation of setting up of an autonomous statutory Agricultural Biotechnology Regulatory Authority, which in his opinion will cut through layers of red tape and add much needed transparency to the decision-making process. However, it will probably be a year before the cabinet discusses this blue print for necessary changes to the regulatory policy or mechanism. (Source: Financial Express, 05/03/04)

### **AGRI BIOTECH YET TO WORK WONDERS**

Eminent biotechnologist Prof G. Padmanabhan claimed that the Indian scientists can do successful research in bio-engineering in the field of agriculture, but are handicapped by the lack of support and regulatory red tape. However, a private entrepreneur suggested that the lack of commercialization of agricultural biotechnology in the country stems from the fact that the research in this field has longer gestation periods with commercially important traits. The unfounded fears and misconceptions of genetically modified crops further add to the delays already caused by lengthy regulatory clearances. Dr. C.S. Prakash, Professor of Biotechnology in Tuskegee University, adds that strict regulations deter small players from introducing products into the market. Hence, it has been suggested by the stakeholders that a single window autonomous body with less government control would help realize the potential of this technology. (Source: Financial Express, 05/04/04)

### **RECENT REPORTS SUBMITTED BY FAS/NEW DELHI**

REPORT #	SUBJECT	DATE SUBMITTED
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